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GUIDE FOR

ILLINOIS DOCUMENTS

MAR 26 1990

ILLINOIS STATE BOARD OF ELECTIONS

FUNDRAISERS

STATE BOARD OF ELECTIONS
STATE OF ILLINOIS

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Fundraising is one of the most delicate and important responsibilities in a campaign. Funds can be raised in a variety of ways — including personal solicitation, sale of items or tickets for dinners and other events, mass collections, solicitations through advertising media, direct mail or leaflet drops, subscriptions to membership organizations and many other methods.

State law requires candidates, political committees and, in some cases, individuals to keep full and accurate records of financial transactions and to file periodic public records of such information. Since the record keeping of fundraising is so closely governed by state law, there are a few simple rules you should keep in mind. This brochure is not a complete or fully detailed digest, but an overview intended to help in understanding the basic responsibilities under the law.

For authoritative guidance concerning all areas of fundraising, reference to actual statutory language and to the State Board of Elections Rules and Regulations should be made, and consultation with professional legal counsel is encouraged. Additionally, assistance from the State Board of Elections or other governmental authorities, where jurisdiction exists, is recommended.

WHAT IS A CONTRIBUTION UNDER THE LAW?

1. A gift, subscription, donation, dues, loan, advance or deposit of money or anything of value knowingly received in connection with the nomination for election, or election of any person to public office, or in connection with any question of public policy.

2. The purchase of tickets for fundraising events, including but not limited to dinners, luncheons, cocktail parties, and rallies made in connection with any question of public policy.
3. A transfer of funds between political committees.
4. The services of an employee donated by an employer, in which case the contribution shall be listed in the name of the employer, except that any individual services provided voluntarily and without promise or expectation or compensation from any source shall not be deemed a contribution.
5. Gifts of goods or services provided with no expectation of repayment, including but not limited to hall rental, food, and entertainment.
6. Expenditures made “out-of-pocket” on behalf of one’s own candidacy.

WHAT IS NOT A CONTRIBUTION?

1. The use of real or personal property and the cost of invitations, food and beverage, voluntarily provided by an individual in rendering voluntary personal services on the individual’s residential premises for candidate related activities, provided the value of the service provided does not exceed an aggregate of \$150 in a reporting period.
2. The sale of food or beverage by a vendor for use in a candidate’s campaign at a charge less than the normal comparable charge, if such charge is at least equal to the cost of such food or beverage to the vendor.

ARE MASS COLLECTIONS PERMITTED?

Mass collections are permitted under the Act; however, if a person contributes more than \$20 to a mass collection the full name, address, and total amount given by that individual must be obtained.

ARE ANONYMOUS CONTRIBUTIONS PERMITTED?

No person shall make an anonymous contribution or a contribution in the name of another person, and no person shall knowingly accept an anonymous contribution or contribution made by one person in the name of another person. Anonymous contributions shall escheat to the State of Illinois. Any political committee that receives such contribution shall forward it immediately to the State Treasurer.

WHAT PROHIBITIONS EXIST?

No contribution shall be accepted or expenditure made, by or on behalf of a political committee at a time when there is a vacancy in the office of chairman or treasurer of that committee. No expenditure shall be made for or on behalf of a political committee without the authorization of its chairman or treasurer, or their designated agents.

Fundraisers are usually good salesmen. When "selling" your candidate remember it is illegal to promise any government benefit, employment or appointment for a contribution. It is also illegal to coerce anyone into making contributions by physical force, threatened loss of employment or any other means.

Be aware that prohibitions other than those found in the Illinois Campaign Financing Act exist. National banks and nationally chartered corporations are prohibited from making political contributions. No public funds may be used for political or campaign purposes.

LITERATURE — SOLICITING FUNDS

Any State Political Committee shall include on all literature and advertisements soliciting funds the following notice:

“A copy of our report filed with the State Board of Elections is (or will be) available for purchase from the State Board of Elections, Springfield, Illinois.”

Any Local Political Committee shall include on all literature and advertisements soliciting funds the following notice:

“A copy of our report filed with the County Clerk is (or will be) available for purchase from the County Clerk (address), Illinois.”

Any political committee which solicits or receives contributions or makes expenditures on behalf of any candidate that is not authorized in writing to do so shall include a notice on all literature and advertisements published and following all commercial broadcasts, in connection with such candidates campaign by such committee or on its behalf, stating that the committee is not authorized by such candidate and that such candidate is not responsible for the activities of such committee.

Every person who receives a contribution in excess of \$20 for a political committee shall, on demand of the treasurer, and in any event, within five days after receipt of such contribution, render to the treasurer a detailed account thereof, including the amount, the name and address of the person making such contribution, and the date on which it was received.

The Internal Revenue Service now requires political action committees, candidate related committees and political organizations whose gross receipts normally exceed \$100,000 in a calendar year the following notice in a conspicuous and easily recognizable format. "Contributions or gifts to the organization are not deductible as charitable contributions for federal income tax purposes."

WHAT RECORDS MUST BE KEPT?

State law requires candidates and committees to report:

1. in summary form, the totals of all contributions and other receipts as well as expenditures;
2. by item, all transfers of funds to and from other political committees;
3. by item, all contributions and other sources of income as well as expenditures aggregating over \$150 during a reporting period.

In addition, candidates and committees must keep in-house records of all individual contributions over \$20.

To assist the campaign or committee treasurer in keeping accurate records, it is important to secure needed information at the time when contributions are received. When

soliciting or receiving funds, always obtain the full name, residence address and ZIP code, and the date of the contribution. Be sure to forward all money and information pertaining to the contribution to the treasurer of your political committee immediately upon receipt.

Contributions of an aggregate of \$500 or more received during the 30 day period preceding an election must be reported by the recipient committee within two business days of receipt to the State Board of Elections and/or the County Clerk.

All funds of a political committee shall be segregated from, and may not be commingled with, any personal funds of officers, members, or associates of such committee.

ARE RAFFLES PERMITTED?

Raffles **are** a legal means of fundraising for political committees. A license is required and may be obtained by making application to the State Board of Elections. The license application must include certain specific information such as when and where chances will be sold and when and where the drawing will be held. A single license may be valid for a specified number of raffles for a period of up to one year. Certain criteria must be met in order to be eligible for a license, one being that the political committee must have been in existence for at least one year.

ARE THERE ANY FEDERAL FUNDRAISING LAWS?

If you are raising funds that are to be spent in any federal campaign, you should contact the Federal Election Commission for a copy of their rules and regulations.

Federal Election Commission
999 E Street, N.W.
Washington, DC 20463
(800) 424-9530

For more information, complete guidelines, and Rules and Regulations as set forth by the Board, contact the:

Illinois State Board of Elections
1020 South Spring Street
Springfield, IL 62704
(217) 782-4141
TDD (217) 782-1518

or

State of Illinois Center
Suite 14-100
100 West Randolph Street
Chicago, IL 60601
(312) 814-6440
TDD (312) 814-6431

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